

consignor shall prepare a record of shipment in accordance with § 20.171.

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#### § 20.232 Reconsignment in transit.

(a) *Reconsignment.* Specially denatured spirits may be reconsigned to another permittee or returned to the consignor if, prior to or on arrival at the premises of the consignee, the alcohol is determined to be unsuitable for the intended purpose, was shipped in error, or, for any bona fide reason, is not accepted by the consignee or carrier.

(b) *Records of reconsignment.* In the case of reconsignment, the consignor shall cancel the initial record of shipment and prepare a new record of shipment, if the shipment is to another permittee. The new record of shipment will be annotated "Reconsignment."

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[T.D. ATF-199, 50 FR 9162, Mar. 6, 1985, as amended at T.D. ATF-476, 67 FR 17939, Apr. 12, 2002]

#### § 20.233 Disposition after revocation of permit.

When any permit issued on Form 5150.9 is revoked, all specially denatured spirits in transit and all specially denatured spirits on the former permit premises, may be lawfully possessed by the former permittee for the exclusive purpose of disposing of the specially denatured spirits, for a period of 60 days following the date of revocation. Any specially denatured spirits or recovered alcohol not disposed of within the specific 60-day period, is subject to seizure and forfeiture.

#### § 20.234 Disposition on permanent discontinuance of use.

(a) *Specially denatured spirits.* Specially denatured spirits on hand at the time of discontinuance of use, may be disposed of by

(1) Returning the specially denatured spirits to a distilled spirits plant or dealer, as provided in § 20.231,

(2) Destruction, as provided in § 20.222, or

(3) Shipped to another user, as provided in § 20.235.

(b) *Recovered denatured alcohol, recovered specially denatured rum, or recovered articles.* Upon permanent discontinuance of use, a permittee may dispose of recovered denatured alcohol, recovered specially denatured rum, or recovered articles by

(1) Shipment to a distilled spirits plant, as provided in § 20.215 for articles and spirits residues,

(2) Destruction, as provided in § 20.222, or

(3) Upon the filing of an application with the appropriate TTB officer, any other approved method.

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#### § 20.235 Disposition to another user.

(a) A user may dispose of specially denatured spirits to another permittee or Government agency.

(b) The user shall prepare a record of shipment in accordance with § 20.171. The packages to be shipped shall bear the name and permit number of the user and the marks and labels required under § 20.178. The user's copy of the record of shipment shall include an explanation of the reason for the disposition.

(c) The appropriate TTB officer may require a user to apply for and obtain a dealer's permit, if shipments under this section are excessive.

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### Subpart N—Use of Specially Denatured Spirits by the United States or Government Agency

#### § 20.241 General.

The United States or any of its Government agencies may withdraw specially denatured spirits from a distilled spirits plant or dealer under this part, as authorized by 26 U.S.C. 5214(a)(2) and 5271. Before any specially denatured spirits may be withdrawn, a permit to